



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In Application of:

Weston *et al.*

Serial No: 09/476,935

Art Unit: 3624

Filed: December 30, 1999

Examiner: Charles R. Kyle

For: System and Method for Implementing
Foreign Exchange Currency Forwards

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APPEAL BRIEF

04/18/2006 EAREGAY1 00000018 09476935

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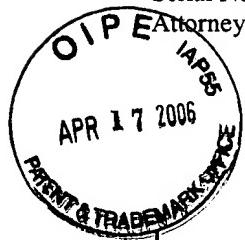


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REAL PARTY IN INTEREST

The real party in interest in this Appeal is the assignee of the present application, Bloomberg L.P.

II. RELATED APPEALS AND INTERFERENCES

There are no related appeals or interferences.

III. STATUS OF CLAIMS

Claims 1, 7, 9-11, 19, 21 and 24-26, all of which were rejected in the final Office Action dated April 7, 2005, are pending in this application. This is an appeal, pursuant to the Notice of Appeal filed October 7, 2005, of the rejection in the final Office Action of all of claims 1, 7, 9-11, 19, 21 and 24-26.

IV. STATUS OF AMENDMENTS

Amendments to claims 1, 7, 10, 11, 21 and 24-26 presented in Applicants' Response to Final Office Action filed December 27, 2004, and all previous amendments, have been entered. There are no pending or un-entered amendments.

All pending claims with all entered amendments to the claims are reproduced in Appendix A.

V. SUMMARY OF CLAIMED SUBJECT MATTER

A. Independent Claims 1, 10, 11, 21 and 24-26

Independent claims 1, 10, 11, 21, 24, 25 and 26 relate to systems and methods for conducting electronic trading of foreign exchange forwards comprising “at least one temporary restriction settable by a [the] first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period.”

Independent Claim 1

Claim 1 claims a system for conducting electronic trading of foreign exchange forwards, comprising a server for tracking currency trades, a plurality of trading workstations, and at least one remote server interfacing the trading workstations to the tracking server. The at least one remote server mediates currency trades between traders using the workstations by consulting trading configurations associated with each trader.

At least one of the trading configurations includes “at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period.”

Embodiments of such a system are described, for example, at page 3, lines 1-21, page 4, lines 9-21, page 5, lines 6-16, page 6, line 22-page 7, line 5, page 20, lines 2-24 and page 30, line 16-page 31, line 6.

Independent Claim 10

Independent claim 10 claims a system for conducting electronic trading of foreign exchange forwards, comprising a server for tracking currency trades, a plurality of trading workstations organized in a plurality of groups for conducting electronic data-based trading, with a portion of the trading workstations associated with respective telephones for conducting voice-

based trading, and a plurality of remote servers, each respective remote server being associated with a respective group of trading workstations and interfacing the respective group of trading workstations to the tracking server.

The remote servers mediate currency trades between traders using the workstations by consulting trading configurations associated with each trader corresponding to filter settings for at least one filter criterion, which includes “at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period.”

Also, the first remote server, connected to a first workstation associated with a first trader having associated first filter settings, blocks from view by the first trader any currency trades from other traders not meeting the at least one filter criterion corresponding to the first filter settings and also blocks from view by the first trader any trades of the at least one trader with respect to which the first trader has set a temporary restriction while the temporary restriction is in effect.

Embodiments of such a system are described, for example, at page 3, lines 1-21, page 4, lines 9-21, page 5, lines 6-16, page 6, line 22-page 7, line 5, page 20, lines 2-24 and page 30, line 16-page 31, line 6.

Independent Claim 11

Independent claim 11 claims a method for conducting electronic trading of foreign exchange forwards, comprising receiving currency trades for foreign exchange forwards from traders using a plurality of trading workstations, and receiving trading configurations from traders using respective trading work stations including receiving from a first trader “at least one

temporary restriction settable by the first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period.”

The currency trades are tracked in a server, and currency trades between traders are mediated using at least one remote server, including interfacing the workstations to the tracking server, consulting trading configurations associated with each trader, and controlling the distribution of trading information between traders based on the trading configurations, including temporarily blocking and restricting from the view of the first trader any trading information from each trader with respect to which a temporary restriction has been received from the first trader while the temporary restriction is in effect.

Embodiments of such a method are described, for example, at page 3, lines 1-21, page 4, lines 9-21, page 5, lines 6-16, page 6, line 22-page 7, line 5, page 20, lines 2-24 and page 30, line 16-page 31, line 6.

Independent Claims 21 and 24

Independent claim 21 claims a system for conducting electronic trading of foreign exchange forwards, comprising a server for tracking currency trades, a plurality of trading workstations, and at least one remote server interfacing the trading workstations to the tracking server.

The at least one remote server mediates currency trades between traders using the workstations by consulting filter settings for at least one filter criterion associated with each trader. A first remote server, connected to a first workstation associated with a first trader having associated first filter settings, blocks from view by the first trader any currency trades from other traders not meeting the at least one filter criterion corresponding to the first filter settings

The filter settings include “at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period,” which blocks from view by the first trader any trades of the at least one trader with respect to which the first trader has set a temporary restriction while the temporary restriction is in effect.

Independent claim 24 claims a system for conducting electronic trading of foreign exchange forwards, comprising a server for tracking currency trades, a plurality of trading workstations, and at least one remote server interfacing the trading workstations to the tracking server.

The at least one remote server mediates currency trades between traders using the workstations by consulting at least one filter criterion which includes “at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period.” The at least one temporary restriction blocks from view by the first trader any trades of the at least one trader with respect to which the first trader has set a temporary restriction while the temporary restriction is in effect.

Embodiments of such systems are described, for example, at page 3, lines 1-21, page 4, lines 9-21, page 5, lines 6-16, page 6, line 22-page 7, line 5, page 20, lines 2-24 and page 30, line 16-page 31, line 6.

Independent Claim 25

Independent claim 25 claims a system for conducting electronic trading of foreign exchange forwards, comprising a server for tracking currency trades, a plurality of trading workstations, and at least one remote server interfacing the trading workstations to the tracking server.

The at least one remote server mediates currency trades between traders using the workstations using a database listing a set of traders, stored in a memory of the remote server, with which a first trader is willing to trade.

The remote server uses trading configurations including “at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period.”

The remote server, responsive to a selection by the first trader of a subset of the set of traders, conveys a request-for-quote transmission from the first trader to the selected subset of traders except for requests for quotes of the at least one trader with respect to which the first trader has set a temporary restriction while the temporary restriction is in effect.

Embodiments of such a system are described, for example, at page 3, line 1 - page 4, line 21, page 5, lines 6-16, page 6, line 22-page 7, line 14, page 20, lines 2-24, page 29, lines 3-20, and page 30, line 16-page 31, line 6.

Independent Claim 26

Independent claim 26 claims a system for conducting electronic trading of foreign exchange forwards, comprising a server for tracking currency trades, a plurality of trading workstations, and at least one remote server interfacing the trading workstations to the tracking server.

The at least one remote server mediates currency trades between traders using the workstations using trading configurations including “at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period.” The at least one temporary restriction blocks from view

by the first trader any trades of the at least one trader with respect to which the first trader has set a temporary restriction while the temporary restriction is in effect.

At least one trading workstation is associated with a telephone for providing voice communications between a trader associated therewith and other entities having telephone capabilities, and the trading workstation provides data communications between the trader associated therewith and other entities having data communication capabilities, thereby providing traders on the system with both voice-based and data-based trading functionality.

Embodiments of such a system are described, for example, at page 2, lines 11-13, page 3, line 1- page 4, line 21, page 5, line 6-page 6, line 4, page 6, line 22-page 8, line 2, page 12, line 13-20, page 13, lines 8-16, page 20, lines 2-24 and page 30, line 16-page 31, line 6.

VI. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL

The April 7, 2005 final Office Action rejected independent claims 1, 11, 21 and 24 and 26 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,787,402 (“Potter *et al.*”) in view of U.S. Patent No. 5,924,083 (“Silverman *et al.*”). Claim 25 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Potter *et al.* in view of Silverman *et al.* and further in view of U.S. Patent No. 6,014,644 (“Erickson”). Claim 10 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Potter *et al.* in view of Silverman *et al.* and further in view of a Euromoney article titled “Will Brokers Go Broke?” by Stephanie Cooke (“Cooke”).

A. Issues on Appeal

1. whether Potter *et al.* and Silverman *et al.* render independent claims 1, 11, 21, 24 and 26 obvious under 35 U.S.C. § 103(a);
2. whether Potter *et al.*, Silverman *et al.* and Erickson render independent claim 25 obvious under 35 U.S.C. § 103(a);

3. whether Potter *et al.*, Silverman *et al.* and Cooke render independent claim 10 obvious under 35 U.S.C. § 103(a); and
4. whether dependent claims 7, 9 and 19 are patentable because they include subject matter from independent claim 1 or independent claim 11.

VII. ARGUMENT

1. **Potter *et al.* and Silverman *et al.* do not render independent claims 1, 11, 21, 24 and 26 obvious under 35 U.S.C. § 103(a)**

(a) *Independent Claim 1*

As described above, claim 1 provides that at least one of the trading configurations includes “at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period.”

Potter *et al.*

Potter *et al.* discloses a system for performing automatic financial transactions in which the system automatically generates an offer in response to a customer’s request. As the Examiner acknowledged in the Office Action dated April 7, 2005 at page 2-3, Potter *et al.* does not disclose trading configurations settable by a first trader with respect to another trader and when set automatically expiring after a predetermined time period. However, the Examiner contended that Silverman *et al.* does disclose this, referring to Silverman *et al.*, col. 4, line 57-col. 5, line 37 and col. 6, lines 11-26. These passages in Silverman *et al.* relate to setting credit limits for a particular trading entity which limits may be updated with trading transaction information to provide available credit. As discussed below, this is not a disclosure or suggestion of trading configurations including “at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period.”

Silverman *et al.* discloses that a trading entity may set a “unilateral” or one-way credit limit for each other trading entity. A unilateral credit limit itself does not change until reset by the party that set it. Such resetting can take place during trading and non-trading periods. (Col. 4, lines 58-60; col 5, lines 17-18 & 31-34.) Regardless, however, once set, a unilateral credit limit value does not expire and remains until changed by the trading entity.

Silverman et al. also disclose the use of “bilateral” credit limits. As between two trading entities, A and B, there are two credit limits that are set. Trading entities A and B each set a unilateral credit limit for the other trading entity. In addition, the lower of the two unilateral credit limits can be set as a bilateral credit limit between trading entities A and B. As is the case for unilateral credit limits, a bilateral credit limit value does not expire and remains until a trading entity resets a unilateral credit limit value that would change the previously set bilateral credit limit value.

Silverman *et al.* further disclose that a unilateral or bilateral credit value, referred to as “available credit” or “credit availability,” used to filter a market view display is updated, in real time, as a result of trading. (Col. 5, lines 26-30 & 48-55.) This value is set automatically by the host computer and is not a temporary restriction set by a trading entity. For example, at the start of a trading day, the credit available values are the unilateral credit limits previously set by trading entities and the bilateral credit limits based on previously set unilateral credit limits. These values are reduced during the course of trading automatically, and are not set by a trading entity to temporarily restrict trading by another trading entity.

Claim 1 specifically recites, among other things, a system that mediates currency trades by consulting trading configurations associated with each trader, wherein at least one of the trading configurations includes “at least one temporary restriction settable by a first trader with

respect to at least one trader and when set automatically expiring at or after a predetermined time or time period.”

As pointed out above, in Silverman *et al.*, the credit limit values set by the trading entities do not automatically expire at a predetermined time period. Resetting the credit available figures to the previously set credit limits, e.g., at the start of a trading day, acts to increase the credit available limits and therefore does not act to restrict a traders activities. If anything, such re-setting provides greater opportunity for trading, not less.

An embodiment of a configuration providing a temporary restriction according to claim 1 is described in the application as follows (page 20, lines 18-23):

Such customizable filtering may be used to effectively place an annoying or risky trader into a “penalty box”, and so to allow a user to avoid trading or displaying trades of the penalized trader. In a preferred embodiment, the customizable filtering may be set to expire at the end of a predetermined time, such as five minutes or for the rest of the business day, and so the penalty box feature may be automatic but temporary to prevent such penalized traders from engaging in forthcoming foreign currency exchanges within the allotted penalty time period.

As a general matter, the penalty box feature described in the application may be set up by a user to automatically, but temporarily, allow the user to avoid trading or displaying trades of the penalized trader during a predetermined time period. Thus, a user may specify a customized filter that is a trading configuration which includes a temporary restriction against another trader. The temporary restriction automatically expires at or after a set time period. The result of the temporary restriction is that a risky trader is figuratively placed in a penalty box, thereby allowing the user to avoid trading or displaying trades of the penalized trader during a predetermined time period.

Since Silverman *et al.* does not disclose trading configurations including “at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period,” the obviousness rejection of claim 1 falls. Without some disclosure or suggestion in the prior art of a trader settable temporary restriction on another trader that automatically expires, and something that motivates combining such disclosure, if it exists, with Potter *et al.*, for example, the Section 103 rejection of claim 1 must fail and the rejection of claim 1 should be reversed.

(b) *Independent Claims 11, 21, 24 and 26*

Each of independent claims 11, 21, 24 and 26 includes, similar to claim 1, recitation of a trading configuration or configurations which includes “at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period.” As discussed above, this is not disclosed by either Potter *et al.* or Silverman *et al.*, and the rejection of claims 11, 21, 24 and 26 should be reversed for the reasons advanced with respect to claim 1.

2. Potter *et al.* and Silverman *et al.* and Erickson do not render claim 25 obvious under 35 U.S.C. § 103(a)

Claim 25 includes, similar to claim 1, recitation of a trading configuration or configurations which includes “at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period.” As discussed above with reference to claim 1, Potter et al. and Silverman et al. do not disclose this. Erickson also does not this, and the Examiner has not alleged that Erickson does. Therefore, the rejection of claim 25 should be reversed.

3. Potter et al., Silverman et al. and Cooke do not render independent claim 10 obvious under 35 U.S.C. § 103(a)

Claim 10 includes, similar to claim 1, recitation of “at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period.” As discussed above with reference to claim 1, Potter *et al.* and Silverman *et al.* do not disclose this. Cooke also does not disclose this, and the Examiner has not alleged that Cooke does. Therefore the rejection of claim 10 should be reversed.

4. Dependent claims 7, 9 and 19 are patentable because they include subject matter from independent claim 1 or independent claim 11

Independent claim 1 and independent claim 11 are allowable for the reasons discussed above, and dependent claims 7, 9 and 19 are patentable because they include subject matter from independent claim 1 or independent claim 11.

VIII. CONCLUSION

In view of the foregoing, the Board should, and is requested to, reverse the rejections of claims 1, 7, 9-11, 19, 21 and 24-26.

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APPENDIX A

Listing of Claims

1. A system for conducting electronic trading of foreign exchange forwards, the system comprising:

a central server for tracking currency trades;

a plurality of trading workstations; and

at least one remote server interfacing the trading workstations to the central server, wherein the at least one remote server mediates currency trades between traders using the workstations by consulting trading configurations associated with each trader, wherein at least one of the trading configurations includes at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period.

7. The system of claim 1, wherein the trading configurations correspond to filter settings for at least one filter criterion, and wherein the at least one filter criterion including the at least one temporary restriction is used by the remote server to block the display of trades from the at least one trader from view by the first trader.

9. The system of claim 1, wherein at least one trading workstation is associated with a telephone for providing voice communications between a trader associated therewith and other entities having telephone capabilities; and

wherein the trading workstation provides data communications between the trader associated therewith and other entities having data communication capabilities, thereby providing traders on the system with both voice-based and data-based trading functionality.

10. A system for conducting electronic trading of foreign exchange forwards, the system comprising:

a central server for tracking currency trades;

a plurality of trading workstations organized in a plurality of groups for conducting electronic data-based trading, with a portion of the trading workstations associated with respective telephones for conducting voice-based trading;

a plurality of remote servers, each respective remote server being associated with a respective group of trading workstations and interfacing the respective group of trading workstations to the central server, wherein the remote servers mediate currency trades between traders using the workstations by consulting trading configurations associated with each trader corresponding to filter settings for at least one filter criterion, which includes at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period; and

wherein a first remote server, connected to a first workstation associated with a first trader having associated first filter settings, blocks from view by the first trader any currency trades from other traders not meeting the at least one filter criterion corresponding to the first filter settings and also blocks from view by the first trader any trades of the at least one trader with respect to which the first trader has set a temporary restriction while the temporary restriction is in effect.

11. A method for conducting electronic trading of foreign exchange forwards, the method comprising:

receiving currency trades for foreign exchange forwards from traders using a plurality of trading workstations;

receiving trading configurations from traders using respective trading work stations including receiving from a first trader at least one temporary restriction settable by the first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period ;

tracking the currency trades in a central server; and

mediating currency trades between traders using at least one remote server, including:

interfacing the workstations to the central server;

consulting trading configurations associated with each trader; and

controlling the distribution of trading information between traders based on the trading configurations, including temporarily blocking and restricting from the view of the first trader any trading information from each trader with respect to which a temporary restriction has been received from the first trader while the temporary restriction is in effect.

19. The method of claim 11, further comprising:

providing telephones respectively associated with a portion of the workstations for conducting voice communications between a trader associated therewith and other entities having telephone capabilities; and

providing data communications between the workstations and the traders associated therewith and other entities having data communication capabilities, thereby providing traders on the system with both voice-based and data-based trading functionality.

21. A system for conducting electronic trading of foreign exchange forwards, the system comprising:

a central server for tracking currency trades;
a plurality of trading workstations; and
at least one remote server interfacing the trading workstations to the central server, wherein the at least one remote server mediates currency trades between traders using the workstations by consulting filter settings for at least one filter criterion associated with each trader; and

wherein a first remote server, connected to a first workstation associated with a first trader having associated first filter settings, blocks from view by the first trader any currency trades from other traders not meeting the at least one filter criterion corresponding to the first filter settings, wherein the filter settings include at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period, which blocks from view by the first trader any trades of the at least one trader with respect to which the first trader has set a temporary restriction while the temporary restriction is in effect.

24. A system for conducting electronic trading of foreign exchange forwards, the system comprising:

a central server for tracking currency trades;

a plurality of trading workstations; and

at least one remote server interfacing the trading workstations to the central server,

wherein the at least one remote server mediates currency trades between traders using the workstations by consulting at least one filter criterion which includes at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period, which blocks from view by the first trader any trades of the at least one trader with respect to which the first trader has set a temporary restriction while the temporary restriction is in effect.

25. A system for conducting electronic trading of foreign exchange forwards, the system comprising:

a central server for tracking currency trades;

a plurality of trading workstations; and

at least one remote server interfacing the trading workstations to the central server, wherein the at least one remote server mediates currency trades between traders using the workstations using a database listing a set of traders, stored in a memory of the remote server, with which a first trader is willing to trade, and wherein the remote server uses trading configurations including at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period; and

wherein the remote server, responsive to a selection by the first trader of a subset of the set of traders, conveys a request-for-quote transmission from the first trader to the selected subset of traders except for requests for quotes of the at least one trader with respect to which the first trader has set a temporary restriction while the temporary restriction is in effect.

26. A system for conducting electronic trading of foreign exchange forwards, the system comprising:

a central server for tracking currency trades;

a plurality of trading workstations; and

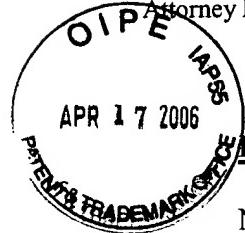
at least one remote server interfacing the trading workstations to the central server,

wherein the at least one remote server mediates currency trades between traders using the workstations using trading configurations including at least one temporary restriction settable by a first trader with respect to at least one trader and when set automatically expiring at or after a predetermined time or time period and blocking from view by the first trader any trades of the at least one trader with respect to which the first trader has set a temporary restriction while the temporary restriction is in effect;

wherein at least one trading workstation is associated with a telephone for providing voice communications between a trader associated therewith and other entities having telephone capabilities; and

wherein the trading workstation provides data communications between the trader associated therewith and other entities having data communication capabilities, thereby providing traders on the system with both voice-based and data-based trading functionality.

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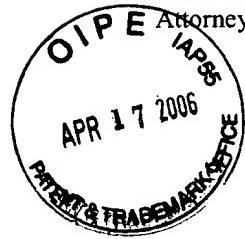


APPENDIX B

Evidence Appendix Pursuant to 37 C.F.R. § 41.37(c)1(ix)

No evidence is submitted by applicants.

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APPENDIX C

Related Proceedings Appendix Pursuant to 37 C.F.R. § 41.37(c)(x)

There are no related proceedings and no decision rendered by a court or the Board in a proceeding which relates to this application.